

Exhibit L

Land Held for Future Development

Exhibit L reports on land acquired with housing funds and held by agencies for future development (refer to Exhibit C-2 which shows \$275,886,573 as the total value of land holdings). Agencies report the following information about landholdings: site, acreage, zoning, purchase date, and estimated date that development is anticipated to start.

Development of affordable housing on land holdings is required to be initiated within five years of site acquisition unless agencies adopt a resolution for an additional five-year extension. To ensure agencies either develop the land within the required time period or sell the land and deposit the proceeds to the Low-Mod Fund, redevelopment law was amended pursuant to Chapter 362, Statutes of 1999 (SB 497), requiring agencies to employ independent auditors to determine agency compliance as part of the agency's annual audit. Applicable audit findings are required to be provided to the State Controller's office which reports major violations such as failure to develop or dispose of land to the Attorney General for action.

Statewide, 107 agencies reported a combined total of 932 acres consisting of 410 separate sites for future development of affordable housing. For the previous reporting year, 108 agencies reported 488 sites representing 1,082 acres.

Some discrepancies appear among the number of agencies reporting land holdings in Exhibit L versus the number of agencies reporting the "Value of Land Purchased and Held for Development" in Exhibit C-2. Exhibit C-2 shows 73 agencies reported on value of land holdings whereas 107 agencies reported information on sites held for future development in Exhibit L.